Office of the Independent Inspector General

"[T]o detect, deter and prevent corruption, fraud, waste, mismanagement, unlawful political discrimination or misconduct in the operation of County government."

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Quarterly Report
4th Quarter 2016

January 17, 2017

OFFICE OF THE INDEPENDENT INSPECTOR GENERAL
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January 17, 2017

Honorable Toni Preckwinkle
and Members of the Board of Commissioners
of Cook County, Illinois
118 North Clark Street
Chicago, Illinois 60602

Re: Independent Inspector General Quarterly Report (4th Qtr. 2016)

Dear President Preckwinkle and Members of the Board of Commissioners:

This report is written in accordance with Section 2-287 of the Independent Inspector General Ordinance, Cook County, Ill., Ordinances 07-O-52 (2007), to apprise you of the activities of this office during the time period beginning October 1, 2016 through December 31, 2016.

OIIG Complaints

The Office of the Independent Inspector General (OIIG) received a total of 140 complaints during this reporting period.[1] Please be aware that 22 OIIG investigations have been initiated. This number also includes those investigations resulting from the exercise of my own initiative (OIIG Ordinance, Sec. 2-284(2)). Additionally, 49 OIIG case inquiries have been initiated during this reporting period while a total of 202 OIIG case inquiries remain pending at the present time. There have been 8 matters referred to management or other enforcement or prosecutorial agencies for further consideration. The OIIG currently has a total of 27 matters under investigation. The number of open investigations beyond 180 days of the issuance of this

[1] Upon receipt of a complaint, a triage/screening process of each complaint is undertaken. In order to streamline the OIIG process and maximize the number of complaints that will be subject to review, if a complaint is not initially opened as a formal investigation, it may also be reviewed as an "OIIG inquiry." This level of review involves a determination of corroborating evidence before opening a formal investigation. When the initial review reveals information warranting the opening of a formal investigation, the matter is upgraded to an "OIIG Investigation." Conversely, if additional information is developed to warrant the closing of the OIIG Inquiry, the matter will be closed.

report is 25 due to various issues including the nature of the investigation, availability of resources and prosecutorial considerations.

OIIG Summary Reports

During the 4th Quarter of 2016, the OIIG issued 13 summary reports. The following is a general description of each matter and whether an OIIG recommendation for remediation/discipline has been adopted, if applicable, due to the time period permitted for corrective action. Specific identifying information is being withheld in accordance with the OIIG Ordinance where appropriate.

IIG11-0002. In 2010, the OIIG was conducting an investigation into hiring violations occurring within the Department of Homeland Security and Emergency Management (DHSEM) when information was developed suggesting the misuse of portions of $10.3 million in federal grant funds that were designated to aid Cook County residents impacted by flooding that occurred in 2008. The grant funds were available to Cook County on a reimbursement basis only through September 30, 2010. A Program Manager for DHSEM involved in the disaster grant oversight, made an arrangement with the sole owner of a company (the subject company) to perform services to be compensated under the disaster grant award.

This office, along with the FBI and the U.S. Attorneys' Office undertook a joint investigation into the circumstances surrounding the management of the grant funds. The investigation involved an analysis of subpoenaed records and other documents secured from Cook County pertaining to alleged services performed by various vendors receiving reimbursement through the disaster grant, over 20 witness interviews and review of subpoenaed bank records of various individuals and entities involved. Our investigation revealed that the subject Program Manager arranged for certain businesses, including the subject company, to be paid for work that was not performed and arranged for inflated payments to certain businesses for work that was performed. Following the receipt of payments through the grant, the Program Manager solicited and accepted kickbacks from the subject company along with other financial benefits that he used for personal gain, including the purchase of a residential property.

Our joint investigation led to the arrest and indictments of the Project Manager and the owner of the subject company on August 27, 2014. Both the Project Manager and owner of the subject company pleaded guilty to the subject crimes on November 7 and November 9, 2016 in Federal Court. The residential property is subject to forfeiture pursuant to the plea agreement of the Project Manager and may result in assets being remitted to Cook County by virtue of the losses incurred as a result of the crimes. The County suffered a net loss of approximately $1,024,270.12 in the management of the disaster grant.

Neither the Project Manager nor the owner of the subject company are employed by or have a contractual relationship with Cook County at the present time. Based on all of the foregoing, including the facts supporting the plea agreement of the Project Manager, this office

recommended that the Project Manager be placed on the Cook County *Ineligible for Rehire List* (Policy No. 2014-2.13).

IIG13-0137. The Hektoen Institute for Medical Research, L.L.C., (Hektoen) provides fiscal agent and support services to Cook County Health and Hospitals System (CCHHS), and acts as the administrative and fiscal agent for most of the research and clinical service awards to CCHHS. The awards administered include federal, state, city, private and foundation grants as well as contracts for clinical trials and multi-center awards. All of Hektoen's programs focus on improving healthcare and the healthcare delivery systems for under-served citizens of Cook County.

CCHHS Internal Audit initiated a review of Hektoen's Salary Reallocation Account. The Reallocation Account allows for salary and fringe benefit compensation to be reallocated back to CCHHS if grant work necessitates the reimbursement of salary and fringe benefit dollars when CCHHS employees expend their compensated time in support of grant related activities. The review was limited to Hektoen's fiscal year 2012, which covered the time period September 1, 2011 to August 31, 2012. During this initial review, certain irregularities and questionable expenditures of funds released from the Salary Reallocation Fund to a CCHHS doctor (the "subject doctor") for personal expenditures were identified. These expenditures were not consistent with CCHHS's policy related to the use of these funds. An expanded sample audit covering the time period January 1, 2011 through February 14, 2013 was then conducted. The expanded sampling uncovered additional expenditure irregularities by the subject doctor. The subject doctor told officials from CCHHS that all of the subject expenses were work related and incidental to his work. CCHHS referred the matter to the OIIG

OIIG served subpoenas on Amazon, Inc., Apple Inc., and Southwest Airlines to identify goods and services the subject doctor purchased. The following are examples of items purchased in which the subject doctor was reimbursed:

- Amazon - Designer handbags, women's shoes and clothing, camera equipment, a Yamaha piano and accessories and a radar detector;
- Apple – Numerous purchases through iTunes but titles were not provided due to privacy restrictions;
- Southwest Airlines - Two passenger tickets (the subject doctor and his spouse) to Beijing, China, to attend a conference plus additional expenses related to the trip; and,
- Southwest Airlines – Four passenger tickets (the subject doctor, his spouse and two children) to attend a conference in Orlando, Florida.

Our review of the credit card statements for the aforementioned trip to Orlando, Florida, revealed several charges that included a premium hotel room, an extended night stay beyond the conference, minivan rental and several restaurant charges. Other notable credit card charges included fuel that was purchased during the month of May 2012, totaling $452.75. There were additional charges that ranged from $103.00 to $575.00 for cell phone and data services, purchase of a Sony Ericsson wireless stereo headphone for $869.15 and a purchase of a toy

identified as Clone Commander for $36.25. Additionally, examples of numerous credit card charges at area restaurants are listed as follows: Francesca's Restaurant - $596.05; Lou Malnati's Pizza - $289.99; Leona's Chicago Restaurant - $351.70; Flirty Cupcakes, Chicago - $197.10; Pompei Little Italy, Chicago - $160.00.

The review further identified numerous other questionable credit card charges that the subject doctor submitted for reimbursement that were approved. A sampling of the subject doctor's Check Request Forms and attached credit card statements reflected several purchases in amounts of $1,240.00, $978.98, $652.99, and $352.99. The first two purchases contained handwritten notations reflecting they were for software and hardware. The results of the OIIG subpoena reflected the above purchases were for a Gucci Wallet and Medium Tote and a Prada Handbag. The purchases of $652.99 and $352.99 were for books (titles not provided). The Check Request Form, dated March 30, 2011, reflected a purchase in the amount of $999.99, which was notated as software although in reality it was for the Yamaha piano. Another Check Request Form, dated April 21, 2011, reflected several purchases ranging from $102.00 to $925.00. Handwritten notations associated with the purchases on the credit card statement reflected software purchases; however, the results of the subpoenas reflected these purchases were for a Yamaha piano stand, piano accessories, Gucci handbag, Fujistu scanner and a North Face women's parka. The Check Request Form, dated June 20, 2011 revealed the subject doctor was reimbursed $12,814.00 for legal work related to a company he owned. Receipts reflected the legal work was for tax matters, a draft of U.S. patent application and a draft of bylaws for new corporation and other related matters. Another Check Request Form dated September 27, 2011, reflected purchases in the amounts of $6.62, $231.97, $1,803.57, $11.99, $39.95 and $1,221.42. These purchases were notated as computer hardware, camera, software, and computer supplies that were shipped to the subject doctor's personal residence. Another Check Request Form reflected purchases in the amounts of $1,002.12 and $2,003.23 that were notated as conference registrations in Beijing, China. The associated credit card statement reflected airline tickets in the names of the subject doctor and his wife, for $1,038.20 each.

A subsequent audit of the subject doctor's expenditures from his salary reallocation account from 2010 through 2014 revealed that the subject doctor had expenditures of $274,360 in various categories from consulting fees, computer, travel, legal fees, Amazon, phone/data plans, meals/fuel, memberships, office supplies, seminars, iTunes, books/subscriptions/parking and miscellaneous. It was determined that out of the total expenditure of funds, only $10,227 was considered to be allowable. There was $15,811 of expenditures that needed additional information or documentation before determining if the expenditures were allowable. There were $248,322 of expenditures that should be recouped because the expenses were in violation of policy and/or did not benefit CCHHS.

The evidence developed during the course of the OIIG investigation established that the subject doctor was improperly converting funds maintained in the Salary Reallocation Account for personal benefit. While the subject account lacked adequate internal controls and oversight, the funds were deliberately and intentionally converted by the subject doctor for his personal benefit by fraudulently claiming the reimbursed expenses were work related and in accord with

the mission of CCHHS. Some of the items purchased were mailed directly to his personal residence. The subject doctor purchased items that were unusual in terms of nature, dollar amount and without supporting documentation to justify the purchases as being work related. He misrepresented the nature of the items purchased and deceived his supervisor by claiming, for example, that the purchases were software purchases when in fact they were personal items such as Yamaha piano accessories, Gucci handbag, North Face woman's parka and other personal items. The whereabouts of the personal items as well as the computers, computer related equipment/software and cameras purchased are unknown at this time. The subject doctor's attorney has stated in a letter that the doctor would cooperate in making repayment of funds determined to be not in accordance with CCHHS policy.

CCHHS has initiated corrective action with the implementation of a new policy that was approved on December 23, 2015, entitled *Use of Costs Recovered from Sponsored Programs.* The policy identifies a procedure that requires the approval of the department chair, CCHHS Assistant Grant Management Director and CCHHS Executive Medical Director prior to incurring any expenses related to such accounts. The new policy also establishes an approval process involving various levels of approval. The development and implementation of this policy are very positive. However, we noted that consistent enforcement of the policy and training, when necessary, to ensure that this policy becomes well-known and adhered to is equally important. The subject doctor resigned from CCHHS on January 1, 2014 during the pendency of this investigation.

The OIIG made the following recommendations regarding the subject doctor:

1. The subject doctor should be placed on the CCHHS *Ineligible for Rehire* list;
2. CCHHS should ban the subject doctor from volunteering in system facilities;
3. CCHHS should seek reimbursement from the subject doctor of $248,322 in expenditures that he received from the subject account that are not consistent with CCHHS policy; and
4. CCHHS should refer the subject doctor to the Illinois Department of Financial and Professional Regulation for review and disciplinary action.

IIG14-0079. In this matter, the OIIG conducted a survey to assess the level of M/WBE participation in Cook County Health & Hospitals System ("CCHHS") contracts. M/WBE is defined as Minority-Owned and Women-Owned Business Enterprises pursuant to the County Ordinance. Under the M/WBE Ordinance's annual "Aspirational Goals," prime contractors are required to use their best efforts to allocate 25% to MBEs and 10% to WBEs for all Cook County government contracts awarded over $25,000. For professional services contracts, the County focuses on awarding 35% to the M/WBEs collectively with no requirement for specific allocations. The OIIG initiated this survey after receiving complaints that contracts involving CCHHS consistently fail to meet the M/WBE participation goals stated in the M/WBE Ordinance.

The OIIG obtained a list of CCHHS Fiscal Year 2015 outstanding contracts for further review. From this list, we identified the top ten contracts by dollar amount. Our sample of contracts

totaled $304,761,231.61 in expenditures. In accordance with the Aspirational Goals, this sample should involve $106,666,431.06 in M/WBE participation pursuant to the Ordinance. In order to evaluate the level of actual M/WBE participation for this sample, we acquired contract activity summaries for each of the subject contracts from the Office of Contract Compliance (the "OCC"). Then, we noted the amount of business generated with the vendor with the amount of business generated through M/WBE participation. At the time of our analysis, CCHHS purchased $89,025,725.24 (29% of the contract awards) worth of business from vendors in our sample. Of this amount, $8,230,879.56 or 9.2% of business had been generated with M/WBEs. These statistics are based on contract activity and M/WBE participation as of July 7, 2016. Accordingly, this analysis revealed substantial deviations from M/WBE Aspirational Goals. To better understand the reasons for the deviations, we conducted various interviews and reviewed numerous contracts.

The evidence developed during the course of this Survey supports the conclusion that CCHHS contracting experiences a reduced level of M/WBE participation levels in relation to the Aspirational Goals set by County ordinance. The underlying reasons for this include (a) a smaller pool of M/WBEs certified to participate in healthcare related contracts, (b) the special nature of the products and services required by HHS and (c) the heavily regulated purchasing environment in which CCHHS is engaged. Nonetheless, careful consideration of all of the circumstances surrounding CCHHS purchasing reveals an opportunity to expand the pool of certified M/WBE vendors available to participate in this environment. Accordingly, we recommended the following action.

1. Cook County should consider amending the M/WBE ordinance by lifting or eliminating the Personal Net Worth exception of $2,000,000.00 for M/WBE participation when the participation involves a healthcare industry related contract. *See* Cook County Code, Section 34-263. This expansion of criteria for M/WBE participation would recognize the unique purchasing environment in the healthcare industry which often requires firms participating in this industry to be supported by significant assets.
2. OCC is represented at the various different outreach events hosted by other organizations and has recently established host events for the County specifically. The County should consider increasing these efforts by targeting the healthcare industry.
3. Cook County should consider offering a continuous source of support to M/WBEs as part of the application process, such as developing on-demand video tutorials for its website.
4. OCC and CCHHS should jointly and affirmatively pursue matching opportunities to link prospective M/WBE vendors with prime vendors for sub-contracting purposes.
5. OCC and CCHHS should establish a protocol to jointly review all requests for M/WBE waivers because of the specialized nature of the industry, especially when faced with requests for waiver that involve substantial contracts.
6. OCC should perform a heightened level of scrutiny for those large value contracts for professional services reflecting low M/WBE participation.

7. OCC and CCHHS should urge suppliers to develop strong mentoring/protégé programs and consider the existence of a mentorship program, or lack thereof, during its evaluations of bids when determining whether a vendor should be granted a full or partial waiver of M/WBE participation. This criterion is currently recognized in the County Code. *See* Cook County Code, Section 34-271(d). In light of the low M/WBE participation rates, we believe OCC should publicize this option during the pre-bid process and at outreach events.

IIG14-0488. The OIIG opened this investigation after receiving a complaint that a construction contractor violated County rules and policies in performing a project at the Cook County Jail by failing to pay its Minority Business Enterprise (MBE) subcontractor. The investigation revealed that the subject contractor had in fact failed to pay the MBE subcontractor all amounts required under the utilization plan and had failed to cure that default after being notified by the Office of Contract Compliance. The investigation also revealed a dispute between the contractor and the subcontractor had developed leading the contractor to use other subcontractors without following proper procedures and obtaining necessary approvals. The OIIG made numerous recommendations to the Office of Contract Compliance and the Chief Procurement Officer regarding suggested amendments to the Compliance Plan and the Procurement Code and specifically recommended that the subject contractor be deemed ineligible to enter into a contract with the County for a period of 24 months and that the County seek a contractual penalty against the subject contractor for failing to meet its MBE participation requirement.

IIG15-0025. The OIIG opened this investigation after receiving a complaint from a Cook County and city of Chicago certified Minority and Woman Owned Business Enterprise ("M/WBE"), that the primary contractor failed to pay and utilize it as its M/WBE as specified in its utilization plan with Cook County. In order to assess the merits of the complaint, the OIIG conducted interviews of various witnesses and reviewed documents including emails.

Based on the preponderance of the evidence developed during the course of this investigation, this office determined that the primary contractor provided false and misleading information in its contract proposal to the County and failed to act in good faith in accordance with its M/WBE participation goals. In July 2012, the primary contractor originally requested a full M/WBE waiver request. Once Contract Compliance denied the waiver request and advised the primary contractor that its proposal was the lowest except it would be required to secure M/WBE participation, the primary contractor hastily retained the complainant M/WBE in order to secure the County contract by presenting a false and misleading Utilization Plan to both the complaining M/WBE and the County. The primary contractor admittedly never intended to pay and utilize the M/WBE at an amount equal to 16.5% of the contract award because of the lack of work available to the M/WBE to perform under the contract. It was at that time, before finalizing the contract terms with Cook County that the primary contractor needed to confront this issue in good faith. The Procurement Code affords other avenues in which a contractor may achieve M/WBE participation, such as the indirect method, that could have been considered and may have been by the primary contractor's competitors in the RFP process. Despite this fact, the

primary contractor presented false and misleading information in support of its proposal to secure the contract and, therefore, unfairly tipped the balance of fair competition in its favor.

We recommended that Cook County consider imposing the penalties set forth in the Cook County Code due to these violations including, but not limited to, the imposition of fines and disqualification in future County solicitations and contracts.

IIG15-0080. This investigation was initiated by the OIIG based on a complaint brought by a Cook County Department of Transportation and Highways (DOTH) employee alleging that he was being subjected to abusive language, harassment and false accusations of misconduct by his former and current supervisors. During the course of this investigation, OIIG investigators interviewed the complainant, several of his co-workers, his current and former DOTH supervisors and DOTH Bureau Chief. The preponderance of the evidence failed to support the allegations under review. The interviews conducted of DOTH personnel, including management officials, demonstrated both that the complainant is not without fault in this set of circumstances and the existence of a non-retaliatory basis for management's conduct in connection with the complainant. This office recommended that management employ its established process of instituting progressive discipline by ensuring that incidents of employee misconduct are properly documented in a timely manner and adhere to the provisions of *Cook County Employment Plan Supplemental Policies*, No. 2013-2.8 (Disciplinary Action). We also recommended that DOTH consider requiring further training for its district supervisors in this regard. This recommendation is based upon the pattern identified in this inquiry of the failure to adhere to *Supplemental Policy* No. 2013-2.8.

IIG15-0088. The OIIG received information that a Clerk V assigned to Cermak Health Services was abusing his sick and FMLA leave and that he was engaged in outside employment which he failed to disclose in accordance with the Dual Employment Policy. During the course of this investigation the OIIG interviewed both the subject Clerk and his supervisor and reviewed various records maintained by CCHHS. This office determined that the allegation that the subject was abusing his sick and FMLA leave by taking time off from work to engage in unreported secondary employment is without merit. The subject explained that his reason for being away from his job was to provide care for his wife and obtain medical care for himself. The subject's supervisor indicated that she had no proof beyond a mere suspicion that the subject was engaged in outside employment. The supervisor also acknowledged that the subject, at the time that the allegations of this complaint were initiated, was on intermittent FMLA status due to a medical condition of his wife and himself. The subject's supervisor has counseled the subject about adhering to the appropriate time and attendance policies and has noticed an improvement in his attendance during the pendency of this matter. Based on these factors, the allegation was not sustained.

IIG15-0196. This investigation involved a Post-SRO complaint filed pursuant to the *Supplemental Relief Order for Cook County Recorder of Deeds* ("SRO") entered in connection with the *Shakman v. Recorder of Deeds,* 69 C 2145 (N.D. Ill.) litigation. The complainant, an employee at the Recorder of Deeds Office, alleged that, beginning in 2013, she was the victim of

an ongoing retaliatory hostile work environment through the treatment of her by her supervisor. The complainant alleged the supervisor laughs at her, stares at her, follows her to the bathroom, issues disciplinary action against her and makes public admonitions of her regarding poor performance. When the complainant approached the former Director of Human Resources to seek a transfer in order to alleviate the effects of the hostile work environment, the former Director of Human Resources allegedly responded by asking the complainant who was her "clout." The complainant generally alleged that her supervisor improperly disseminated confidential medical information concerning her after accompanying her to the hospital during a medical emergency. Finally, the complainant alleged that she was ordered by Recorder management to work in a manner inconsistent with the instructions of her physician.

Pursuant to Sections V.A., Paragraph 9 of the *Supplemental Relief Order for the Cook County Recorder of Deeds*, we determined that the majority of the complainant's allegations do not rise to the level of an employment action but rather are garden variety workplace personality conflicts with another employee. Moreover, the evidence fails to demonstrate that impermissible political factors were considered with respect to the employment decisions involving the complainant regarding discipline and accommodation as the evidence developed by the investigation supported the conclusion that the Recorder possessed legitimate non-discriminatory reasons for the imposition of discipline.

IIG15-0207. In this case, the OIIG received information that a former Union Representative filed a grievance on behalf of a Clerk V at Provident Hospital, alleging that certain employees in the CCHHS Recruitment and Labor Relations Department falsified online employment application records to reflect that she withdrew her application for a promotional opportunity. It was further alleged that the Hearing Officer relied on this misinformation in denying the Clerk V's grievance challenging the denial of a promotional opportunity. During its investigation, OIIG investigators interviewed witnesses and analyzed employment records. Based upon the preponderance of evidence developed during the course of this investigation, the evidence revealed that the Clerk V did not withdraw any of her applications for any of the Caseworker positions. The evidence also revealed that no CCHHS officials falsified the Clerk V's employment records in Taleo to reflect that she withdrew any of her applications. Rather, the evidence revealed that the Hearing Officer misread the online employment application documents and reported this in her grievance decision in error. Although the Hearing Officer stated that the withdrawal of the application had no bearing on the grievance decision, we recommended that the Bureau of Human Resources correct the record to reflect that the Clerk V did not withdraw from the application process by issuing a revised hearing decision in this matter so as to correct the record.

IIG15-0228. The Federal Emergency Management Agency (FEMA) provided the Illinois Emergency Management Agency (IEMA) approximately $58 million between 2003 and 2008. Cook County spent approximately $45 million for Project Shield. The funding was for the installation and maintenance of Project Shield equipment (wireless capability for first responders to access text, image and video information in a highly secure and efficient manner) to monitor emergency situations in 128 municipalities within Cook County to enable decision makers to

strategically deploy their first responder assets in a timely fashion. The U.S. Department of Homeland Security (DHS) Office of Inspector General (OIG) conducted an audit of the Urban Areas Security Initiative (UASI) grant funds for Project Shield. The DHS OIG issued a report with its investigative findings and recommendations on December 21, 2011. The OIG's investigative findings ranged from missing records, procurement practices not being followed, and DHSEM not accounting for equipment listed on the DHSEM inventory.

One of the DHS OIG's recommendations included Cook County's compliance with the regulatory and administrative requirements for managing equipment purchased with federal grant funds. *See generally*, 44 C.F.R. § 13.32. It was the DHS OIG conclusion that the project was not implemented effectively, and millions of tax dollars may have been wasted on equipment that did not perform as intended. Our office conducted a review to determine if DHSEM has addressed the deficiencies noted in the DHS OIG's report with a focus on whether DHSEM was appropriately managing its equipment purchased with federal funds.

The OIIG reviewed a list of grants awarded to the DHSEM in Fiscal Year (FY) 2015, along with a summary of each grant. Additionally, we reviewed the DHS OIG and a separate and independent audit (Single Audit) of DHSEM that was part of the Cook County's Comprehensive Annual Financial Report (CAFR) for FY 2014. The Single Audit, which was conducted by a private accounting firm, is conducted annually to provide assurance to the U.S. government as to the management and use of such funds by grant recipients. The findings from this audit revealed that DHSEM failed to maintain equipment records that complied with the Federal Regulations 44 C.F.R. § 13.32 (d).

In response to the Single Audit report, the former Executive Director of DHSEM responded with a letter dated May 17, 2015 to the Cook County Comptroller outlining a corrective action plan his department planned to pursue to address the Single Audit findings. The corrective action plan included the following:

- A revision of current inventory policy to closely align to the Federal Regulations 44 C.F.R. § 13.32 (d) by September 2015;
- A private sector partner undertaking to complete the process of mapping of DHSEM's inventory identification, requisition procurement and inventory process. This was planned to be completed by January 2016;
- DHSEM planned to procure a new inventory management software system and have it operational by January 2016;
- DHSEM declared an inventory shut-down from July 20 through July 24, 2015 in which all non-essential work was temporarily suspended to conduct a physical inventory of all equipment in excess of a $5,000 original cost. This was planned to be completed by July 24, 2015; and,
- A Fixed-Asset Accountant was planned to be hired by September 2015.

The OIIG review revealed that while some corrective action has occurred, DHSEM remains in noncompliance with the 2011 DHS OIG audit report and the 2014 Single Audit

report. Accordingly, we recommended that the recommendations cited in the DHS OIG and Single Audits become a priority. Additionally, we recommended that accountability of government property should be emphasized through implementation of policy that holds internal and external agencies accountable for missing, lost, stolen or recovered government property under their purview. If government property is discovered lost, missing or stolen, it must be reported and investigated. Periodic unannounced random equipment inventories of government property assigned to County personnel and other agencies should also be conducted.

IIG16-0047. The OIIG received information involving a public safety officer assigned to Oak Forest Hospital who allegedly was permitted to return from medical leave after undergoing a surgical procedure without obtaining a "Fitness for Duty" clearance. The allegation also indicated that the officer is currently unfit for duty and unable to perform the required duties of the position. According to CCHHS Personnel Rule 6.07, "Prior to returning from a leave of absence for medical reasons, an Employee must submit to a medical examination by Employee Health Service (EHS) to obtain clearance to return to duty."

During the course of this investigation the OIIG interviewed the supervisor of the Public Safety Department at Oak Forest Hospital and reviewed various records maintained by CCHHS that pertain to the subject matter of this inquiry. The evidence showed that the subject officer was allowed to return to work as a Public Safety Officer at Oak Forest Hospital only after being medically cleared by EHS. The Medical Disposition Forms reflect that the officer was examined by EHS and returned to duty with restrictions being imposed. Finally, the officer's supervisor appropriately followed established CCHHS protocol by providing reasonable accommodations which enabled the subject to return to work. Therefore, the allegation was not sustained.

IIG16-0079. This investigation was initiated based on an allegation by a union representative that a Cook County Hospital Police Officer applied unreasonable force while taking her into custody following a complaint that she was trespassing and interfering with hospital business. The union representative alleged that the subject officer grabbed her shoulders and forcefully pushed her into a cell where her face, chest and shoulders made contact with the wall and that she was handcuffed for approximately one hour. During our investigation, OIIG investigators interviewed numerous witnesses to the incident and reviewed video surveillance at the hospital.

The video showed that the union representative was detained by the Cook County Hospital Police Department (CCHPD) for approximately 21 minutes and handcuffed for approximately eight minutes. The video did not support the union representative's statement that the subject officer grabbed her shoulders and forcefully push her into a cell where her face, chest, and shoulders made contact with the wall. The video did not support the union representative's assertion that she was handcuffed for approximately one hour.

The current collective bargaining agreement between the union and the County specifically requires union representatives to "secure the approval of the Hospital Director/Designee or County Department Head to enter the Hospital and conduct their business

so as not to interfere with the operation of the Hospital." The agreement also notes that "the union will not abuse this privilege, and such right of entry shall at all times be subject to general Hospital and medical office rules applicable to non-employees." During the union representative's interview with investigators, the union representative stated she did not seek prior approval from hospital management to speak with union members and further advised it was not her practice to obtain prior approval from a manager before speaking with union members during work hours at the Hospital.

Based upon the foregoing, the union representative's meeting with union employees while they were working in a restricted area was not in compliance with the current contract and her failure to leave the area after requested by management was unwarranted. Additionally, interviews with various CCHPD Officers determined the union representative did not comply with the subject officer's orders to leave the Hospital. Three CCHPD Officers and another witness stated that the union representative resisted detention by moving and flailing her arms to prevent being handcuffed by CCHPD Officers. The union representative stated that she could not recall if she resisted being handcuffed. The preponderance of the evidence did not support the union representative's allegation that the subject officer acted improperly or used unreasonable force. Accordingly, the allegation against the subject officer was not sustained.

The OIIG principally recommended that the union and CCHHS convene and discuss the collective bargaining agreement to ensure all parties are aware of the provisions regarding union representatives' meeting with union employees in the workplace and establish a protocol for communication between the union and management when such meetings are requested.

IIG16-0246. In this case, the OIIG was contacted by a complainant who alleged that the Cook County Medical Examiner's Office (MEO) informed him that an autopsy was performed on his mother, although he was never allowed to identify her remains. The son of the decedent further alleged that there are discrepancies on the death certificate and the autopsy report which raised a concern as to whether or not the autopsy was performed on the correct person.

OIIG investigators interviewed the complainant and reviewed documents from the MEO and the funeral home. The evidence obtained did not support the allegation that the MEO performed an autopsy on an unidentified person. The decedent was identified by the staff at her residence and a Chicago Police officer who was at the senior living facility when the decedent was found unresponsive. The decedent was pronounced dead via telemetry. The Chicago Police officer on the scene notified the MEO and reported that no suspect activity was identified at the scene. The complainant raised concern that the MEO denied him an opportunity to identify the remains of the decedent and the autopsy may have been conducted on the wrong person. The MEO protocol is to conduct identifications of decedents who are either unknown or homicide victims. When the decedent was transported to the MEO, it was not a homicide case and the identity of the decedent was known. The MEO offered the complainant DNA testing to prove that the decedent was his mother and the complainant refused. Based on the evidence, the complainant's allegation against the MEO was not sustained.

Outstanding OIIG Recommendations

In addition to the new cases being reported in this quarter, the OIIG has followed-up on outstanding recommendations for which no response was received at the time of our last quarterly report. Under the OIIG Ordinance, responses from management are required within 30 days of an OIIG recommendation or after the grant of a 30 day extension to respond. Below is an update on these outstanding recommendations.

From the 3rd Quarter 2016

IIG14-0492. In this matter, the OIIG received a complaint from the owner of a retail food/liquor store regarding a Cook County Department of Revenue ("DOR") field investigations supervisor. The owner alleged that during a controlled purchase of suspect illegal cigarettes conducted by the supervisor at the premises, the supervisor elbowed and pushed a store manager and placed his foot inside an open safe as she attempted to close the safe door where the supervisor believed illegal cigarettes were contained. It was also alleged that the supervisor attempted to bribe the manager from reporting the incident by offering to remove one of the four violations found during the DOR site inspection.

Based on the preponderance of the evidence obtained during this investigation, the allegations were not sustained. We determined that the subject store was not unfairly targeted or treated differently than other site inspections conducted by the DOR. Although it appears that minimal contact did occur, the proof as to battery of the store manager by the DOR supervisor was inconclusive. Likewise, we determined that no DOR policies or procedures in force at the time of the incident were circumvented by the DOR investigators involved in this DOR operation. Nor was it found that the DOR supervisor offered to retract an issued citation in exchange for the manager not reporting the incident occurring at the safe. A fourth citation, a sanction for the selling of illegal cigarettes, was not issued because the controlled purchase of illegal cigarettes by the DOR supervisor was not, in fact, completed. Nonetheless, this case highlights a potential liability to the County resulting from physical contact of any nature between citizens and DOR investigators in addition to compliance issues with current federal and state search and seizure mandates regarding the use of force during a site inspection of this nature. Therefore, we recommended that the DOR create and implement specific policy and procedures regulating the actions of DOR investigators in these circumstances. DOR responded on December 16, 2016 and adopted our recommendations.

IIG15-0227. The OIIG opened this investigation after observing an online news article with a headline that read: "Is Stroger Hospital in Chicago Selling Aborted Babies' Body Parts? Pro-Life Group Seeks Info." This article reported that "[s]ince 1992, the publicly-funded Stroger Hospital has been doing abortions and now their name has appeared in the ["undercover"] video with Planned Parenthood's Medical Director . . . explaining how the abortion giant sells body parts of aborted babies." The OIIG located and reviewed the referenced video and its related transcription, which implied that fetal tissue from surgical abortions ("surgical ABs") might be obtained from Stroger Hospital. The OIIG subsequently sought to review the fetal tissue

handling process at the hospital, as well as to determine if the hospital was in contravention with any provisions of 42 U.S.C. § 289g–2 (Prohibitions regarding human fetal tissue).

The OIIG researched the hospital policies addressing the handling and disposal of fetal tissue from surgical ABs (also referred to as "products of conception" (POC)) and determined that tissue from all surgical procedures performed at the hospital is required to go to the Department of Pathology ("Pathology"). After Pathology has conducted their tests of POC tissue samples, the remaining unused tissue is required to be disposed of by Pathology using biohazard containers that are picked-up by the hospital's biohazard disposal contractor. Interviews were conducted of Pathology personnel and observations were made of the tissue handling and disposal process. It was determined that once the fetal tissue reached Pathology's "Gross Room" for examination and was immersed in "formalin," the tissue lost its desirability in terms of stem cell research (due to the toxicity of the formalin and its detrimental effects on the cells).

After reviewing the Pathology Department's activities, it became apparent that if there were an opportunity for diversion of POC, it would likely be during the time immediately after the surgical AB was performed in the clinic, but prior to the POC reaching Pathology's Gross Room and being placed in formalin. In order to determine if there was any indication of POC diversion, the OIIG planned to assess the handling of all POC obtained from surgical ABs during the first seven months of 2015. This assessment was to include obtaining data from the Division of Family Planning (i.e., medical record numbers) of individuals who had surgical ABs during that timeframe, and comparing that data to the data of the Pathology Department reflecting the receipt of patient POC. Any discrepancies in the data (e.g., Family Planning data recording the performance of a surgical AB, but no corresponding data in Pathology reflecting the receipt of POC) would result in further investigation to determine if the tissue may have diverted. A finding of no discrepancies in the data would provide some assurance that diversion had not occurred during the assessment period.

In order to obtain the medical record numbers needed for the assessment, the OIIG submitted a formal request for medical record numbers to CCHHS as required by the Health Insurance Portability and Accountability Act (HIPAA). CCHHS subsequently denied the OIIG's request based upon its position that the OIIG is not an entity authorized under HIPAA to receive protected health information (PHI). This precluded the OIIG from completing its fetal tissue diversion detection assessment. In order to resolve the disagreement on this legal issue, CCHHS suggested obtaining a formal opinion from the Office of Civil Rights at the U.S. Department of Health and Human Services regarding whether the OIIG may receive the subject medical record data. The OIIG has agreed to pursue this option in an attempt to resolve the issue. In the meantime, we recommended that CCHHS complete the proposed diversion detection assessment either through the CCHHS Office of Internal Audit or through an outside agency.

On January 6, 2017, CCHHS responded by stating that the CCHHS Office of Internal Audit is in the process of finalizing its 2017 comprehensive Internal Audit Plan and that, at this time, it is planning to address the completion of the tissue disposition tracking project during either the second or third quarter of 2017.

IIG15-0234. The OIIG received an anonymous complaint alleging that a doctor misused and falsified his time records and worked a second job in addition to his CCHHS employment. During the conduct of the investigation another issue surfaced which became the focus of the investigation when the initial allegations were discounted. The new issue concerned how the subject doctor accounted for his time during a 10-day leave of absence allegedly taken for purposes of Continuing Medical Education (CME). On that issue, the evidence showed that the subject doctor failed to adhere to the requirements of the Illinois Administrative Code by failing to keep records of the CME training he allegedly took during the leave of absence. The doctor was not able to recall or provide documentation demonstrating the number of hours he devoted to the 10 days of CME leave nor was he able to identify the medical articles/research he may have reviewed. The doctor was not able to provide documentation or other proof that he accessed public medical websites because the websites he accessed did not require the establishment of a user account/user ID to access the programs. Moreover, he asserted that his private computer's malware deleted his browser history. However, Section 1285.110 of the Illinois Administrative Code addressing Continuing Medical Education mandates that physicians document and provide dates and descriptions of activities for any informal CME programs or activities. The fact that the doctor did not do this puts him in violation of the Code and also in violation of CCHHS Personnel Rule 8(c)(14) which requires CCHHS employees to complete records required to be completed in conjunction with their duties. (Because he failed to maintain the requisite records, we carefully considered the possibility that the doctor failed to complete any CME during the subject 10 day CME leave period and used his leave for personal reasons, but the evidence developed failed to meet the burden of proof employed in OIIG investigations.) The OIIG recommended the imposition of appropriate discipline on the subject doctor and the creation of policies regarding CME leave and documentation for such activities. To date, CCHHS has not responded to the OIIG recommendations.

IIG15-0314. The OIIG opened this investigation after receiving a complaint that a high ranking official in the Cook County Department of Animal and Rabies Control ("Animal Control") made a misrepresentation to the Board of Commissioners during a Board committee meeting that Animal Control requires its shelters to have a veterinarian on staff twenty-four hours, seven-days a week ("twenty-four seven vet care"), when it actually does not. The complaint alleged that the contracted Cook County animal shelter does not have veterinarians on staff twenty-four seven, contradicting the subject official's declaration that Animal Control requires its facilities to provide twenty-four seven vet care. In order to evaluate the allegation, this office interviewed an Animal Control officer, the subject Animal Control official and the Director of the contracted Cook County animal shelter. This office also reviewed the testimony given by the high ranking Animal Control official to the Board of Commissioners in the relevant Finance Committee meeting, the County's contract with the animal shelter, the Animal Control Ordinance and the Cook County Ethics Ordinance.

Based on the preponderance of the evidence developed during the course of this investigation, the OIIG has determined the subject official did not violate her fiduciary duty to the County when she stated to the Board of Commissioners that Animal Control requires twenty-four seven vet care. Although both the Animal Control Ordinance and the County contract lack

reference to a twenty-four seven vet care facility, we believe the subject official satisfactorily explained that her department requires that the County contract with twenty-four seven on-call vet care facilities in order to ensure the highest level of care for the animals and to prevent a sick or injured animal from suffering for an extended period of time without proper medical treatment. Section 2-571of the Cook County Ethics Ordinance mandates that officials and employees owe a fiduciary duty to the County and the Board at all times in the performance of their public duties. This office determined that the subject official upheld her fiduciary duty to the Board and did not make a misrepresentation. This office determined that the phrases "on-call" and "twenty-four seven vet care" are ambiguous and subject to multiple interpretations. In order to avoid any future misunderstandings and to create full transparency, this office recommended that: (1) Animal Control create an agreed upon definition for the phrase "on-call" and an agreed upon definition for the phrase "twenty-four seven vet care;" (2) Animal Control consider adding the agreed upon definitions of the phrases to the Animal Control Ordinance; and (3) Animal Control consider adding written specifications in its contracts with animal shelters regarding the Department's requirements for twenty-four seven vet care by on-call service.

On January 11, 2017, the County's Chief Administrative Officer responded to the OIIG recommendations stating that the Department of Animal Control will formalize the "on-call" and "Twenty-Four Seven Vet Care" requirements and ensure they are incorporated into applicable documents as necessary, e.g., contract specifications. However, she stated that neither she nor the Administrator for the Department believe either term should be in the Animal Control Ordinance.

IIG16-0173. On June 20, 2016, OIIG received a proposed modification to the minimum qualifications for the CCHHS Direct Appointment position of Privacy Officer. The OIIG approved the proposed modification on June 24, 2016. On August 1, 2016, the OIIG received a hiring packet indicating CCHHS had selected a candidate for the position. During the routine screening of the proposed hiring sequence, this office noted the hiring packet had several documents bearing dates indicating the candidate had been selected for hire several months prior to the June 20th proposed modifications to the job description. The candidate's qualifications were such that she would not have met the minimum qualifications under the prior job description in effect at the time of her recruitment. Because the evidence strongly suggested the job description was modified in order to facilitate the hire of the particular candidate, the OIIG investigated further. The investigation revealed that senior CCHHS staff, after recruiting the candidate and offering her the position, realized that the selected candidate did not meet the minimum qualifications of the job description. The senior staff in addressing the matter disregarded the applicable provisions of the CCHHS Employment Plan and instead acted to modify the job description in a manner which they believed would permit the hire of the already selected candidate. This not only constituted a violation of the *Employment Plan* but also failed to adhere to the principles of the *Shakman Supplemental Relief Order* in promoting transparency in the hiring process. Historically, manipulating job descriptions to benefit pre-selected candidates has been a tool used to circumvent protocols to further political or other self-interests. This office recommended that CCHHS stress the importance of analyzing the language of job descriptions before recruitment efforts are initiated, that the CCHHS Employment Plan be

amended to require CCHHS to provide the OIIG all hiring packet materials for all proposed Direct Appointments at least 10 business days in advance of any appointment (this is the current practice followed by CCHHS with the addition of a 10-day review period), and that CCHHS comply with the *Employment Plan* by ensuring that all proposed changes to the Direct Appointment List, including changes to job descriptions, be accompanied by a description of the basis for proposed changes.

CCHHS responded on November 23, 2016 and adopted the OIIG recommendations.

IIG16-0179. This office received information that in June of 2016 a *Shakman* compliance officer for the Recorder's Office departed the Office of the Recorder of Deeds during regular work hours to attend an event at St. Bernard's Hospital, Chicago, Illinois. Accompanying the official was another high ranking official from the office. They drove to and from the event in a Recorder vehicle being driven by another employee. The event consisted of a ribbon cutting ceremony at the hospital which was attended by politicians at both the local and national level. Because this information raised concerns regarding potential unlawful political activity, this office opened an investigation.

The *Supplemental Relief Order* (SRO) was issued by the District Court and agreed to by the parties in order to ensure the Office of the Recorder of Deeds turns away from its troubling history of political patronage. The establishment of the position of compliance officer, the mission of which is to ensure transparency and adherence to the *Employment Plan* and the principles of the SRO, has been an important part of the effort to transform the Recorder's Office. A prime function of a compliance officer is to establish trust among the rank and file employees to ensure their complaints will neither go unheard nor lead to retaliation. The language from the job description for the position states:

> Applicant must not have had any prior familial, personal, professional or volunteer relationship or affiliation with any current Recorder employee holding a position at Grade 16 or above. Applicant … must not have participated in any prohibited political activities as defined in Section 2-561 of the Cook County Ethics Ordinance at any time.

The purpose of this requirement was not merely to avoid the hire of a compliance employee with a political affiliation with the Recorder, but also to ensure that no other special relationship exists that could foster mistrust and the lack of confidence by rank and file employees in the compliance office. The development of trust and confidence is critical to the effectiveness of the compliance position. Without it, rank and file employees would reasonably stay silent when confronted with SRO violations for fear of retaliation or simply due to a sense of apprehension or futility. Even the mere appearance of political activity or other special alignment between officials and a compliance officer must be avoided. That is, if rank and file employees became aware that an official and a compliance official attended an event of this nature together, we believe that those employees would reasonably conclude that the compliance

official is not sufficiently independent to warrant their trust. Therefore, all measures necessary to avoid even the appearance of impropriety should be taken by both compliance officials and other high level officials in the Recorder's Office.

We do not believe that this event was a political event as defined by the Cook County Recorder of Deeds Policy Manual. Accordingly, we do not find that unlawful political activity occurred in these circumstances. However, we believe that such community events are also unquestionably political opportunities, at least in part, as evidenced by the attendance of the high ranking official in the Recorder's office and other elected officials attending.

Our central concern is how this set of circumstances would be viewed by staff in the Recorder's Office and that they would think the compliance official is an arm of the Recorder lacking independence. The failure to see this appearance of impropriety before attending the event was a mistake. As such, we believe that the spirit of the SRO has been violated.

Based on all of these concerns, we recommended:

a. That the Recorder request the subject compliance officer to refrain from engaging in outside personal, social or other non-work related events and activities with Recorder personnel;
b. That Recorder officials be mindful of the considerations and circumstances outlined and avoid recurrences of situations which create the appearance of impropriety or otherwise undermine the confidence of rank and file staff in the independence of the compliance staff; and
c. That the Recorder administer a protocol that, outside the normal course of required employment training, reiterates and emphasizes to all staff that retaliation is prohibited against anyone who reports any SRO or Employment Plan concerns to the Recorder, the Director of Compliance, the Recorder Compliance Administrator or the OIIG.

On November 1, 2016, the Recorder of Deeds declined to implement any of the OIIG recommendations.

From the 2nd Quarter 2016

IIG15-0046. The OIIG initiated this investigation to address repeated incidents of time card fraud by employees at the John H. Stroger, Jr. Hospital of Cook County. The OIIG has conducted numerous time and attendance investigations (time card fraud) involving Cook County Health and Hospitals System (CCHHS) employees at Oak Forest Health Center, Cermak Health Services and Stroger Hospital during the past several years. These time card fraud investigations involved a range of issues from employees swiping in and then immediately leaving to park their vehicles, employees swiping in for others who fail to report for work, employees leaving during the day without authorization, employees swiping in at unauthorized locations in order to avoid tardiness to employees not swiping at all. The subjects of the investigations involved a wide spectrum of positions and departments including a Division

Chairman, a physician, a physician assistant, dentists, dental assistants, nurses, administrative assistants/aides, a trades foreman, environmental service employees, laborers and others. In the end, numerous recommendations have been offered though this issue remains a substantial problem that does not appear to have diminished in scope.

Based upon the numerous similar investigations that have been sustained, this office initiated this investigation to determine the scope of the problem and underlying causes. In summary, 70 interviews were conducted with front line employees, timekeepers, supervisors, department heads and personnel from Human Resources and the Payroll Department. Twenty-four informational interviews and 35 subject interviews were conducted with employees suspected of time card fraud based upon data reviewed and surveillance conducted. Eight of the subject employees had past records of excessive tardiness. Admissions were obtained from 14 interviewees, and there was preponderance of evidence that implicated 15 additional employees. This review also cleared six of the employees for various reasons. Several employees admitted to the practice of "drive and swipe" to avoid being tardy. Some of those interviewed claimed to have been doing this for years without being questioned about the practice. One employee claimed his supervisor authorized his employees to swipe in before parking their vehicles if they believed they were going to be late for work. Other employees acknowledged taking time to eat their breakfast after swiping in at the beginning of their scheduled shift. The results of this review and those of prior time card fraud investigations form the basis of our conclusion that a widespread institutional culture of time card fraud continues to exist. The environment that allowed this custom to develop was caused primarily by a lack of policy enforcement and supervisory oversight.

Numerous recommendations were made including various forms of training and education. The recommendations were made on June 29, 2016 and to date CCHHS has not responded. The complete findings and recommendations are contained in a public statement on this issue which was released on June 29, 2016 and which is available on the OIIG website.

From the 1st Quarter 2016

IIG14-0368. This investigation was initiated by the OIIG following the receipt of allegations involving a Cook County Health and Hospitals System (CCHHS) employee working outside employment while on FMLA status. The preponderance of the evidence developed during the course of the investigation failed to support the allegation of a dual employment or FMLA violation. Although there was no violation in this case, we recommended that CCHHS consider adopting a policy prohibiting employment during a leave period because of the overall impact the high incidence of FMLA leave participation has on CCHHS operations. This recommendation was made on March 1, 2016 and, to date, we have not received a written response from CCHHS.

IIG15-0266. The OIIG opened this investigation after receiving information that an employee at Stroger Hospital had been providing differing answers regarding whether or not she possessed a bachelor's degree when applying for positions with Cook County and the Cook

County Health and Hospitals System (CCHHS). The evidence from the investigation supports the conclusion that the subject employee violated Cook County Personnel Rule 8.03(b)(14) and CCHHS Personnel Rule 8.03(c)(26) by submitting false information on her 2012, 2013 and 2014 employment applications by stating that she possessed a bachelor's degree. We recommended that the subject employee be terminated and that she be ineligible for County or CCHHS employment for a period of five years.

CCHHS adopted our recommendations and the subject employee has been terminated and listed as ineligible for rehire for a period of five years.

From the 4th Quarter 2015 or Earlier

IIG15-0278. This office received information indicating that a former employee in the Cook County Bureau of Human Resources (BHR) made various false statements in the course of applying for particular positions within Cook County government by using both factually misleading resumes and false information uploaded to the County's online job application system. The evidence developed during the course of this investigation confirmed the allegations.

We recommended that the County, CCHHS, and the FPD find the subject ineligible for hire for a period of five years pursuant to provisions in their respective employment plans. We made recommendations to the Recorder of Deeds and Sheriff to consider amending their respective employment plans so as to allow further action for violations of this type. We also recommended that all of the involved agencies seek to modify their respective employment plans so as to honor the ineligibility lists of the respective entities. Finally, Article II, Section 44-54(e) of the Cook County Code of Ordinances provides that any person who willfully violates this section shall be fined not less than $100.00 nor more than $500.00 or be imprisoned for not more than six months, or both. We recommended that any department seeking to prosecute the subject for violation of Section 44-54 contact the Cook County States' Attorney's' Office.

These recommendations were originally made on December 23, 2015. The County responded that it will deem the subject employee ineligible for employment for a period of five years. On April 8, 2016, CCHHS adopted the recommendation to place the subject employee on its ineligibility list. On August 29, 2016 the FPD issued a response substantially adopting the OIIG recommendations. The Recorder of Deeds and Sheriff have still not responded to our recommendations which are now over a year old. The lack of response by the Recorder of Deeds and Sheriff will therefore be deemed a rejection of our recommendations.

Activities Relating to Unlawful Political Discrimination

Political Contact Logs (PCLs)

In April of 2011 the County implemented the requirement to file Political Contact Logs with the Office of the Independent Inspector General. The Logs must be filed by any County

employee who receives contact from a political person or organization or any person representing any political person or organization where the contact relates to an employment action regarding any non-Exempt position. The IIG acts within his authority with respect to each Political Contact Log filed. From October 1, 2016 to December 31, 2016 the Office of the Independent Inspector General received four Political Contact Log filings.

Post-SRO Complaint Investigations

In the last quarter, the OIIG received two new Cook County *Shakman* Post-SRO Complaints. Four such Complaints are pending.

Training

The OIIG continues to collaborate with the Bureau of Human Resources ("BHR") and the Board of Ethics ("Ethics") in a joint project to provide both online and in-person annual training for Cook County employees regarding the Ethics Ordinance, the Employment Plan and Unlawful Political Discrimination. The OIIG continues to assist the above departments in the efforts to test new training modules, alleviate technological challenges which exist in administering training and the reduction of incidents of non-compliance.

New UPD Investigations not the result of PCLs or Post-SRO Complaints

In addition to the PCL and Post-SRO activity noted above, the OIIG has opened nine additional UPD inquiries during the last reporting period. The OIIG continues to assist and work closely with the embedded compliance personnel in the FPD, CCHHS, the Cook County Bureau of Human Resources and the Cook County Recorder of Deeds, conducting joint investigations where appropriate.

Employment Plan – Do Not Hire Lists

The OIIG continues to collaborate with the various Cook County entities and the Cook County Compliance Administrator to ensure the lists are being applied in a manner consistent with the County's goal of achieving substantial compliance.

OIIG *Employment Plan* Oversight

Per the Employment Plans of Cook County, CCHHS and the Forest Preserve District, the OIIG reviews, *inter alia*, (1) the hire of *Shakman* Exempt employees, (2) proposed changes to Exempt Lists, Actively Recruited lists, employment plans and Direct Appointment lists, (3) FPD employment postings limited to internal candidates and (4) Supplemental Policy activities. In the last quarter, the OIIG has reviewed and acted within its authority regarding:

1. Five changes to the Cook County Actively Recruited List;
2. The hiring of six *Shakman* Exempt employees;

3. Two changes to the *Shakman* Exempt List;
4. The proposed Direct Appointment of one CCHHS employee;
5. Six actions under the *Cook County Employment Plan Supplemental Policies*.

Monitoring

The OIIG currently tracks disciplinary activities in the Forest Preserve District and Offices under the President. In this last quarter, the OIIG tracked (and selectively monitored) 31 disciplinary hearings and related grievances. Further, pursuant to an agreement with the Bureau of Human Resources and with the collaboration of the Cook County Compliance Officer, the OIIG tracks hiring activity in the Offices under the President, conducting selective monitoring of certain hiring sequences therein. The OIIG also is tracking and selectively monitoring CCHHS hiring activity pursuant to the CCHHS Employment Plan.

Illinois Supreme Court Proceeding Addressing OIIG Jurisdiction

In 2012, the Cook County Office of the Independent Inspector General initiated an investigation into allegations that an employee in the Cook County Assessor's Office had improperly received a homeowner's exemption to which he was not entitled. As part of that investigation, the OIIG requested documents from the Assessor pursuant to the OIIG Ordinance. When the Assessor refused, the OIIG issued a subpoena for the records. The Assessor objected to the subpoena on the grounds that the OIIG only has authority to investigate County government under the Offices of the Cook County Board President and does not have such authority regarding separately elected Cook County officials like the Assessor.

On June 7, 2013, the OIIG filed a two-count complaint against the Assessor seeking (i) a declaration that the Cook County Assessor must cooperate with the OIIG's investigation, and (ii) a finding that the Assessor must comply with the subpoena issued by the OIIG. On August 21, 2014, the Cook County Circuit Court entered an order upholding the jurisdictional scope of the OIIG Ordinance requiring the Assessor to produce all subpoenaed materials as part of an official investigation into misconduct within operations of County government. On December 8, 2015, the Appellate Court unanimously upheld the OIIG's authority to investigate allegations of corruption in both the Assessor's office as well as the offices of other county officials. *See Blanchard v. Berrios*, 2015 IL App (1st) 142857 (December 8, 2015). The Assessor appealed to the Illinois Supreme Court.

On December 1, 2016, the Supreme Court unanimously upheld the constitutionality of the OIIG Ordinance which imposes a duty on all county officials, including elected officers like the Assessor, to cooperate with investigations conducted by the Inspector General and to comply with subpoenas issued by the Inspector General. *See Blanchard v. Berrios*, 2016 IL 120315 (December 1, 2016). This is an important ruling that firmly supports the authority of the OIIG to detect, deter and prevent corruption in the operation of Cook County government and the responsibility of county officers to cooperate in OIIG investigations.

Conviction against Former President Stroger's Deputy Chief of Staff Affirmed

On December 15, 2016, the Illinois Appellate Court affirmed the Circuit Court conviction of former President Todd Stroger's Deputy Chief of Staff, Carla Oglesby. *See* 2016 IL App (1st) 141477. The court affirmed the counts for money laundering and unlawful stringing of bids and also affirmed one of the counts for theft but vacated one of the theft counts pursuant to the one-act, one-crime doctrine. Ms. Oglesby was originally convicted of these crimes in August of 2013 after a joint investigation by the OIIG, the FBI, and the Cook County State's Attorney's Office revealed criminal activity in the handling of County contracts to the benefit of Ms. Oglesby and her associates.

Thank you for your time and attention to these issues. Should you have any questions or wish to discuss this report further, please do not hesitate to contact me.

Very truly yours,

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